VZCZCXYZ0004 OO RUEHWEB

DE RUEHKT #1190/01 1290755
ZNY CCCCC ZZH
O 090755Z MAY 06
FM AMEMBASSY KATHMANDU
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1390
INFO RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 4321
RUEHLM/AMEMBASSY COLOMBO IMMEDIATE 4577
RUEHKA/AMEMBASSY DHAKA IMMEDIATE 9681
RUEHLO/AMEMBASSY LONDON IMMEDIATE 3973
RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 9699
RUEHNY/AMEMBASSY OSLO IMMEDIATE 0227
RUEHKO/AMEMBASSY TOKYO IMMEDIATE 0850
RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE
RHEFDIA/DIA WASHDC IMMEDIATE
RHEHNSC/NSC WASHDC IMMEDIATE
RUEKJCS/SECDEF WASHDC IMMEDIATE

C O N F I D E N T I A L KATHMANDU 001190

SIPDIS

SIPDIS

E.O. 12958: DECL: 05/09/2016 TAGS: <u>PGOV EAID NP IN UK</u>

SUBJECT: PM KOIRALA TO U.S.: WE WELCOME SUPPORT AND HELP

REF: KATHMANDU 1090

Classified By: Ambassador James F. Moriarty, reasons 1.4 (b/d).

Summary

11. (C) PM Koirala thanked A/S Boucher and NSC Senior Director Millard for U.S. support, and said more help would be needed as Nepal tries to become peaceful and prosperous. He agreed that the government needed to find a way to institute a ceasefire that will hold, and to get the Maoists to turn in their weapons. He said India could play a key role here, and asked Boucher to impress this point on the Indians in Delhi. Koirala said the current parliament probably would amend the constitution to remove key articles such as Article 127. A constituent assembly still would be needed to give the people a constitution that the monarchy could not overrule. A/S Boucher assured Koirala that the U.S. would support Nepal, politically and economically. When Boucher raised the issue of resuming military assistance, Koirala said he thought it best not to discuss the issue publicly for now. Boucher said we would wait to hear from Nepal regarding its needs. End summary.

First Steps and Immediate Needs

- 12. (C) Prime Minister G.P. Koirala told visiting A/S Boucher, NSC Senior Director Millard and the Ambassador that many things had to be done right away in Nepal, such as beginning a peace process with the Maoists and dealing with the issues of Maoist weapons and rehabilitation. He said he would start now to address these issues. Boucher assured Koirala that he would have U.S. support as he moved ahead.
- 13. (C) Koirala said the government soon would reciprocate the Maoist unilateral ceasefire. The government and Maoists also would have to agree on a "code of conduct." Ceasefire monitors, both from local civil society groups and the international community, would be required. Koirala said he expected that the government also would remove the "terrorist tag" from the Maoists in the coming days.
- 14. (C) The Ambassador said that a code of conduct would be important. A/S Boucher underscored that the Maoists needed to give up their weapons first, before they received any

"rewards." Prime Minister Koirala agreed. Management of Maoist weapons would have to be a key concern. He anticipated that the first steps in the peace process would be agreement on a code of conduct, then there would need to be a dialogue with the Maoists on a ceasefire, next a monitored ceasefire would have to be implemented.

Parliament and Constitutional Amendments

- 15. (C) A/S Boucher asked when constituent assembly elections might take place. Koirala said it was hard to say. Much would depend on how the discussions with the Maoists went. There needed to be a negotiated settlement with the Maoists first. Boucher asked if the current session of Parliament planned to change the Constitution. Koirala said, "Yes." He noted that changes in the Constitution would require a two-thirds vote. He expected the Parliament would make changes, such as removing Article 127 (the article under which the King dismissed four governments) and other "important provisions," rather than waiting for a constituent assembly, but said that would be a decision for the new government once it formed. (Note: The Prime Minister swore in six ministers right after his meeting with Boucher. Reftel)
- 16. (C) Koirala said the new parliament would sit until elections were held for a Constitutional Assembly. He could not say how long that would take. Boucher asked why there needed to be a constituent assembly if the current parliament could amend the constitution. Suresh Chalise, an advisor to Koirala, said that the King had violated the current constitution so amending it was not enough. A completely new constitution was needed, one that came from the people rather than the palace. Also, a constituent assembly would bring all the people into the political process, something that amending the constitution through parliament would not do.
- 17. (C) Koirala said that his party, Nepali Congress, was the only one of the seven parties that was not Republican. They would like a monarchy like the British, but not one that has ultimate control over forming or dissolving governments. Koirala said he was not sure how the ultimate question of the monarchy would be determined. It might happen as part of the constituent assembly process. Alternatively, there might be a referendum. The government would need to decide.

U.S. Ready to Help

- 18. (C) A/S Boucher said that U.S. wanted to help the political transition. We would help the parties, the election commission, and the corruption commission (CIAA), for example. On the economic side, we hoped to provide some aid quickly, perhaps through the Red Cross and World Food Program. People in Washington already were looking at ways we could support the economy longer term. The U.S. also was willing to help on the military side, something Boucher said he had mentioned to Chief of Army Staff Thapa in an earlier meeting (septel), but we would await a request from the government. Boucher noted that Thapa had said that the army wanted to work well with the new civilian government.
- 19. (C) Koirala thanked Boucher for the offer of support, but added that "We should not be seen as talking about military assistance now." He said training would be useful, as might some non-lethal assistance. The army does need to know that it would do well under a democracy, Koirala acknowledged. Boucher reiterated that we would wait for a request from the government. We can start slow and assist quietly, Boucher said.

India's Role

10. (C) Koirala noted that Nepal also would be getting assistance from the Indian government. Without Indian support, Nepal's problems could not be solved. Boucher said

that the U.S. and India had worked closely together. He and Ms. Millard would be visiting New Delhi May 3 to see Indian officials again. Koirala asked to be kept informed of U.S.-India discussions on Nepal. Boucher said Ambassador Moriarty would be sure to do that.

(C) NSC Senior Director Millard told Koirala that President Bush was very interested in what had happened in Nepal. He was pleased that the parties had united to bring about the return to democracy. Nepal had important work ahead which we wanted to support. Koirala assured Millard and Boucher that there were no real differences between the seven parties. They will stay united to bring peace and stability to Nepal, he said. A/S Boucher underscored that political party unity was important. Only such unity could convince the Maoists to give up their guns and join the political process. "Would the Maoists give up their guns and join the process," Boucher asked. Koirala suggested Boucher ask the Indians. The Indian government can "settle the matter." "The Maoist problem depends on India," Koirala said. Koirala encouraged Boucher to press the Indians to get the Maoists to give up their guns and join the political process. The British could be helpful as well, Koirala said. The U.S., U.K. and India together could do it, said Koirala. Boucher assured Koirala he would make that point in New Delhi.

Economic and Social Needs

- 112. (C) Turning to economic issues, Koirala told the group that the government would come up with economic and social reform programs, but non-interference by the Maoists was needed for these to succeed. He anticipated there would be major reforms. When asked what kind of reforms, Chalise interjected to say that there needed to be "state restructuring," and social reform. The "excluded" society -- women, Dalits (untouchables) and other disadvantaged groups -- needed to be represented in Parliament. They needed to feel they were full partners in democracy, part of the mainstream, not just at the national level, but also in the districts, Chalise said.
- (C) A/S Boucher told Koirala that the U.S. would support Nepal's decisions. Tell us your plans and needs, and the United States will try to help. Koirala welcomed this offer, asking that the U.S. send any ideas it had, particularly on economic planning, to him. He would raise our ideas with the seven parties. Koirala said Nepal also could use advice and help from the World Bank and United Nations. A lot of outside help was needed so that Nepal could experience peace and democracy.
- (U) Koirala was also joined by his daughter Sujata <u>¶</u>14. Koirala (an ND Central Committee member). A/DCM Blake and P/E Chief Shelton also sat in.

Comment

- 115. (C) Koirala appeared frail when he first entered the room, but soon warmed up and participated actively in the discussion. He knows the government will need much assistance and advice, and appears willing to accept it, with the possible exception, for now, of military assistance. Still, Koirala did understand the need to keep the military happy. Koirala realizes his government will have a lot to do. Like us, he worries about the Maoists, and knows he will have a big challenge bringing them into the mainstream. will have to work closely with him and the rest of the government in the weeks and months ahead to ensure they have the support they need, remain united, and carry through on popular wishes. The people of Nepal have high expectations. We need to help this government deliver.
- 116. (U) A/S Boucher did not have the opportunity to clear this cable. MORIARTY